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California Treasurer Matt Fong Organizes Investments Summit in Asia
Top Public Pension Funds Representatives Attend Hong Kong Event

HONG KONG -- California State Treasurer Matt Fong, and representatives of seven public pension funds with combined assets of \$234 billion, began an eight-day trip to Asia Monday to enhance California's position as America's financial center to the Pacific Rim.

Two of California's constitutional officers were in Hong Kong Monday. Fong organized an investment summit in Hong Kong which coincided with California Governor Pete Wilson delivering a speech on trade the same day.

"This demonstrates that California is rapidly becoming America's financial center for the Pacific Rim," Fong said. "To have the issues of trade and investments discussed by two constitutional officers on the same day is evidence of how focused we are about this initiative."

A year ago this month, Treasurer Fong successfully launched his strategic initiative by convening a financial summit in Los Angeles that was attended by representatives of public and private pension funds with combined assets of nearly \$400 billion. Fong believes that California corporations and pension funds can receive excellent returns by participating in developing global markets in Asia. According to Fong, California should continue to export technology and build facilities and transportation systems that produce goods and services to meet the Pacific Rim's demand.

Out of the Los Angeles Summit, the foundation was laid for a second summit in Hong Kong. Not only did the Los Angeles event trigger planning for a second Summit this month, but it was directly responsible for historic results. The California Public Employee Retirement System Board of Trustees announced in December that it would make a \$225 million private equity investment in Asia in a partnership with the Asian Development Bank (ADB) and Lombard/Pacific Partners, L.P.

"The Pacific Rim region offers the world's largest and fastest growing economies," Fong said. "California brings to the table two of the world's largest public pension funds among others. This Financial Summit provides us an opportunity to discuss how we can

help each other in a changing global economy. For those with a vision, this is a glimpse of the economy of tomorrow.”

Fong’s delegation includes Dr. William Crist, Chuck Valdes, and Sheryl Pressler, of the California Public Employee Retirement System (CalPERS); Thomas Flannigan, Michael Mayer and Emma Zink of the State Teachers Retirement System (STRS); Robert M. Greber, Pacific Stock Exchange; Jan Charles Gray and Oscar Peters of the Los Angeles City Employees Retirement System; David Kim of Los Angeles Fire and Police Pension System; David Lee and Patricia Small of the University of California Regents, and Rich Rose of San Diego County Employees Retirement Association. Gary Carter of Connecticut’s Combined Investment Fund will also accompany the delegation as they make visits to Hong Kong, China, Singapore and Taiwan from January 12 to January 19.

“The Asian Pacific is a gold mine of opportunity for quality investments, and as such, our hope is to develop relationships there that could help us explore future investments -- first, for the benefit of members and second, for the benefit of California’s economy,” said CalPERS’ Dr. William Crist.

“One of the key objectives in ensuring benefits for our 1 million members is creating a portfolio of investments that generates the highest level returns at a minimum risk,” said Charles Valdez of CalPERS. “With the Asian Pacific market exploding with investment prospects, we are delighted to have this opportunity to explore possible new ventures that could add to our fund.”

“This is an important trip for Pacific Rim nations and for California,” Fong said. “California is the world’s seventh largest economy, is in a strategic geographical location, offers a diverse and talented work force and boasts strong economic industries such as high-tech, bio-tech, entertainment and agriculture. These economic cornerstones provide the talent and the financial resources that would be beneficial to both pension fund managers and venture capitalists seeking investment opportunities in California and in Asia.”

Fong outlined three specific objectives for the trip: (1) give pension fund executives firsthand knowledge of economic and political conditions in Asia, (2) explore new investment opportunities for the pension funds, and (3) initiate discussions that will lead to investment opportunities for Asian public and private interests in California.